

STAFF REPORT

To: Council Finance Committee Date: February 23, 2010
From: Cathy Ball, PE, Public Works Director
Via: Gary Jackson, City Manager
Subject: Conversion of Stormwater Utility Bills to Water Bill

At the February 2010 Council Finance Committee meeting, we discussed the option of converting the stormwater billing process to the water bills effective January 1, 2011. The Finance Committee requested that staff evaluate converting only single family residential stormwater bills to the water bill initially in order to allow more time for tenants and land owners to revise contracts to define who pays the stormwater utility fee. We have evaluated the financial impact and have attached a summary of the same.

We recognize there are considerations, other than financial ones, regarding these changes. Staff recommends that we move single family residential billing to the water bill in conjunction with the new utility billing system (which may be delayed to April 2011). We request consideration for establishing a three to five year timeframe to move the remainder of the stormwater bills to the water bill. This delay would allow for contractual relationships between owners and tenants to be evaluated and revised reflecting the responsible party.

We will be available for questions at the March 10, 2010, Council Finance Committee meeting. If we can provide additional information prior to that meeting, please let us know.